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1,600 INDIAN COs GOT $1 BN FDI FROM CHINA DURING 2016-2020

Over the past four years, China pumped in $1,020.25 million to Indian firms across various sectors, according to govt data

BIG MONEY FOR AUTO, SERVICES SECTORS

These companies were in 46 sectors. Out of them, the automobile industry, printing of books (including litho printing industry), electronics, services and electrical equipment received more than $100 million FDI each from China. The automobile industry received the highest FDI at $172 million, while the services sector attracted funds worth $139.65 million

BUT SLOWDOWN IN OVERALL CASH FLOW

- However, there has been a decline in FDI inflow from China in the past three years with FDI coming down to $163.77 million in 2019-20 from $350.22 million in 2017-18, government data showed
- The outflow from India to China also came down drastically, from $49.2 million in 2017 to $20.63 million in 2020

78%

YEAR-ON-YEAR RISE IN INDIA'S EXPORTS TO CHINA IN JUNE, ACCORDING TO CRISIL

CHENNAI • MADURAI • VIJAYAWADA • BENGALURU • KOCHI • HYDERABAD • VISAKHAPATNAM • COIMBATORE • KOZHIKODE • THIRUVANANTHAPURAM • BELAGAVI • BHUBANESWAR • SHIVAMOGGA • MANGALURU • TIRUPATI • TIRUCHY • TIRUNELVELI • SAMBALPUR • HUBBALLI • DHARWAPURI • KOTTAYAM • KANNUR • VIZIANAGARAM • KOLLAM • WARANGAL • TADEPALLIGUDEM • NAGAPATTINAM • THRISSUR • KALABURAGI

An IAF transport aircraft brings supplies to a base in Ladakh on Tuesday | PTI

Govt committed to peace, ready for any challenge

Rajnath makes statement on LAC stand-off, calls out Chinese aggression, troop build-up

EXPRESS NEWS SERVICE @ New Delhi

DEFENCE Minister Rajnath Singh on Tuesday told Parliament that the government is committed to peacefully resolving the ongoing stand-off with China along the Line of Actual Control (LAC) but is prepared to face any challenge.

"India is fully determined to defend its borders and it has, through high-level meetings with Chinese counterparts, proposed several measures that, if implemented, could de-escalate tensions at the LAC," he said in a statement in the Lok Sabha.

Since the Speaker did not allow any discussion saying that was what the House had agreed upon, the Congress staged a walkout, saying "they blocked the discussion because they don't have answers."

Singh explained how the situation snowballed into the Galwan Valley violence on June 15 that led to the death of 20 Indian troops. "In early May, the Chinese side had taken action to hinder the normal, traditional patrolling pattern of our troops in the Galwan Valley area, which resulted in a face-off. Even as this situation was being addressed by the ground commanders our bilateral agreements and protocol, in mid-May the Chinese side made several attempts to transgress the LAC in other parts of the western sector. This included Kongka La, Gogra and North Bank of Pangong Lake. These attempts were detected early and responded to appropriately by our armed forces," he said.

To resolve the increasing friction, both sides held a meeting on June 6 and decided to desist from taking any measure to aggravate the situation further. "However, the agreements were disregarded by China by making heavy deployment of forces. Owing to their actions, there has been further friction."

In the Galwan violence, Indian soldiers "inflicted cost, including casualties on the Chinese side," Singh added. The current situation, he said, is because of the difference of perception regarding the LAC.

Both sides know their claim lines, which was why various CBMs were concluded. "The problem lies in the nature of the LAC which is not defined on the ground. This gives either side the freedom to change the status quo if they trash the CBMs. This is exactly what has happened in eastern Ladakh," said B R Deepak, Sinologist and chairperson of the Centre for Chinese and South Asian Studies at JNU. P9

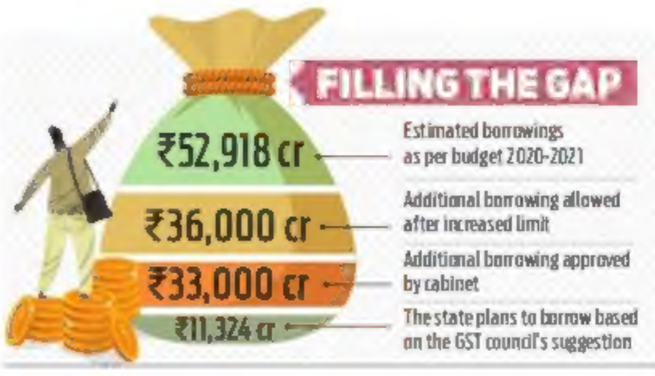
K'taka to borrow ₹33K cr more to cover revenue loss

ANUSHA RAVI @ Bengaluru

WITH the Covid-19-induced lockdown severely affecting revenues, the Karnataka Cabinet on Tuesday approved an amendment to the Karnataka Fiscal Responsibility Act (KFRA) to increase the state's borrowing limit to 5 per cent of GSDP instead of the existing 3 per cent. In effect, this will allow the state to raise an additional Rs 36,000 crore in loans without violating fiscal discipline under the KFRA.

The State Cabinet has also approved plans to borrow Rs 33,000 crore out of the enhanced borrowing limit which will be spent not just as capital investment, but also as expenditure on development activities that have been stalled due to shortage of funds. The amendment Bill will be introduced in the upcoming Assembly session.

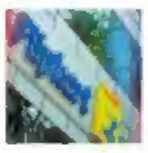
The Centre, in May, increased reform-linked borrowing limit for states from 3 per cent to 5 per cent for the 2020-2021 fiscal, anticipating a loss of revenue. "An amendment will be made to Section 4 of the Fiscal Responsibility Act to allow additional borrowing up to 5 per cent of GSDP. We will borrow Rs 33,000 crore as a one-time measure. Currently, our borrowing is at about Rs 40,000-47,000 crore and an additional Rs 33,000 crore will be fresh loans. We generally borrow only for capital expenditure but this additional loan will be used for development activities too," Parliamentary Affairs Minister J C Madhuswamy told reporters. He acknowledged that various development activities had been stalled due to dearth of funds, but added that the government had not run out of funds.


FILLING THE GAP
₹52,918 cr
Estimated borrowings as per budget 2020-2021
₹36,000 cr
Additional borrowing allowed after increased limit
₹33,000 cr
Additional borrowing approved by cabinet
₹11,324 cr
The state plans to borrow based on the GST council's suggestion

Section 4 of the KFRA deals with Fiscal Management Principles to ensure state debts, guarantees and liabilities are maintained at prudent levels. Three fiscal parameters of the KFRA mandate adequate revenue surplus, total liabilities to be under 25 per cent of GSDP and fiscal deficit to be under 3 per cent of the GSDP. The estimated fiscal deficit for Karnataka for 2020-2021, as per the budget speech, was 2.55 per cent of the GSDP. With the borrowing limit raised to 5 per cent, the state will be able to borrow more without violating fiscal norms.

In his 2020-2021 budget speech, Chief Minister B S Yediyurappa had estimated total borrowings at Rs 52,918 crore. But, in the lockdown scenario, the state has opted for additional borrowing. P7

Flipkart to hire 70,000 directly, create lakhs of indirect jobs



BENGALURU: E-commerce major Flipkart will hire 70,000 people directly and lakhs of other for indirect seasonal roles ahead of the Big Billion Days festival season sales. These opportunities have been created in Flipkart's supply chain ecosystem including delivery executives, pickers, packers and sorters whereas the contractual hires will be at seller partner locations and kiranas. It is also targetting job creation in ancillary industries including vendor locations and freight partners, the Bengaluru headquartered e-tailer said. P12

After Toyota buzz on taxes, K'taka minister cites reforms

BENGALURU: A day after Toyota Kirloskar Motor Vice-President Shekar Viswanathan said that Toyota Motor Corp won't expand further in India due to the high tax regime, Karnataka Industries Minister Jagadish Shettar said, "We have brought in progressive measures like the industrial policy, Land Reforms Act and so on. There are many inquiries and proposals regarding fresh investments." TKM Vice-Chairman Vikram Kirloskar on Tuesday confirmed that the company will invest over Rs 2,000 crore in the next 12 months, refuting Viswanathan's statement. P3, 12

Hands-on training, technology, IoT to be part of ITI skilling

BENGALURU: The State Government is working on a plan to upgrade Industrial Training Institutes (ITIs) to train students in the latest technologies to take up self-employment, or get absorbed in related industries. Every year, around 80,000 students graduate from 270 government and 1,115 private institutions that train students in various engineering and non-engineering trades during one-year to three-year courses. A blueprint for upgrading government ITIs is now being created with focus on Industry 4.0 and also working with industry partners. P3

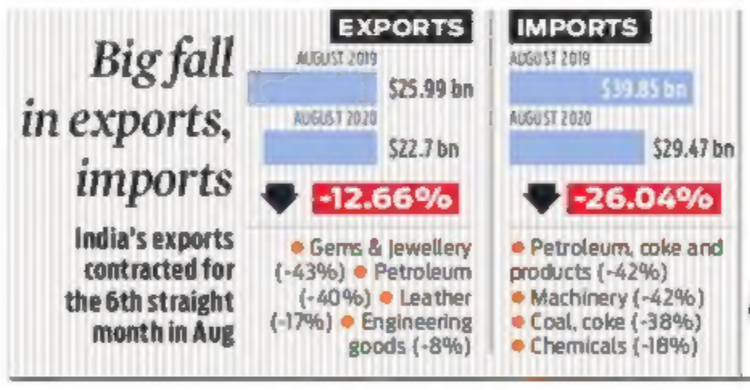
Pak peddles fake map, India walks out of meeting

EXPRESS NEWS SERVICE @ New Delhi

NATIONAL Security Advisor (NSA) Ajit Doval on Tuesday walked out of a meeting of NSAs of the Shanghai Cooperation Organisation in protest after the Pakistani representative used a "fictitious" map showing Indian territories as part of Pakistan. Pakistan's action was "in blatant disregard to the advisory by the host (Russia)," Foreign Office spokesperson Anurag Srivastava said. P9

Big fall in exports, imports

India's exports contracted for the 6th straight month in Aug



TRADE DEFICIT

August 2019: **$13.86** billion
August 2020: **$6.77** billion

CRUDE OIL IMPORTS

Oil imports in Aug 2020 were $6.42 bn, compared with $11 bn in the same month last year. This was largely due to the dip in global Brent prices | P12

Source: Ministry of Commerce & Industry

₹781 cr MGNREGS wages still unpaid

EXPRESS NEWS SERVICE @ New Delhi

WHILE the rural employment scheme extended a lifeline to millions of migrant workers who were forced to return to their villages from cities during the Covid-19 lockdown, its implementation has been hampered by unpaid wages to the tune of ₹781 crore.

According to data from the Rural Development Ministry, ₹781.14 crore worth of fund transfer orders (FTOs) for payment of wages under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) are pending in States and Union Territories.

The pendency comes at a time when the scheme has seen record rise in demand for work owing to the lockdown. The months of June and July saw a huge spike in demand for works under the scheme following the influx of returning migrant workers.

Waiting for payment (Figures in ₹ lakh)	
Andhra Pradesh	2,283.26
Himachal Pradesh	4,673.56
Jharkhand	2,686.57
Madhya Pradesh	5,923.87
Mizoram	4,150.89
Punjab	6,386.82
Uttar Pradesh	12,178.29
West Bengal	39,757.05
Puducherry	74.10

The Centre said fund release is a continuous process. "Wage payment is made on regular basis. Under DBT (direct benefit transfer), wage payment is made directly to the bank/post office account of the beneficiary by the Centre after receiving the FTO from States. The aim is to clear pendency on daily basis," the government said in response to a question on pendency of wages under MGNREGS.

According to officials, the Centre usually transfers funds to state governments, which, in turn, release the funds to districts. The Centre does not release funds directly to districts.

Experts say if the government wants to get the economy on track, it must clear pending wages at the earliest.

"The scheme is the country's best bet in reviving the economy. It is important that the government handles the scheme properly and does not let pendency of wages affect its implementation," an expert on rural development and a former professor at IIM-A said.

CAUGHT IN A JAM

DRUG TRADE DRAGS IN UNWARY FARMERS

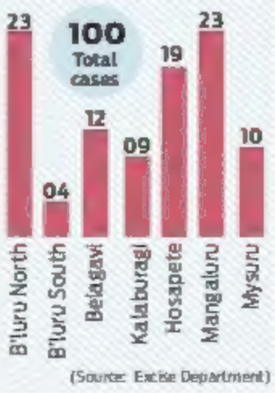
ASHWINI M SRIPAD @ Bengaluru

CAUGHT amidst fluctuating prices for agricultural produce and lured by the prospect of some easy money, some farmers in the state are unwittingly falling prey to drug cartels. In the past one year, at least 100 cases have been registered in the state, including against farmers, under the Narcotic Drugs and Psychotropic Substances Act.

According to data from the State Excise Department, 1,060 marijuana/ganja plants grown on farmlands were seized and destroyed in the past year. Each plant can yield up to 6-7 kg of ganja. A senior official from the Department of Agriculture, said that with drought and floods, and prices of agricultural produce crashing, some farmers tend to grow ganja as it is lucrative. P4

CAUGHT IN THE WEB

No. of cases registered under NDPS Act (July 2019-June 2020)



(Source: Excise Department)

A CCB police team during the raid on 'House of Life', a four-acre luxury residence of Aditya Alva, at Mariyannanapalya near Hebbal on Tuesday morning | SHIVRAM BN

ALL IN A DAY

- CCB police summons actor-couple **Diganth Manchale** and **Aindrita Ray** appear before them on Wednesday
- On her first night in jail, actor **Ragini Dwivedi** is said to have stayed awake till morning and cried most of the time
- Probe into drug raids across the country by the NCB has revealed that in some cases, transactions were carried out with overseas drug dealers through bitcoins on dark web
- Bengaluru police have arrested five drug peddlers in separate cases and seized 17.5 kg of ganja and 2 kg of charas

FULL REPORT: P4

Police swoop down on absconding Aditya Alva's swanky 'House of Life'

EXPRESS NEWS SERVICE @ Bengaluru

THE Central Crime Branch (CCB) police, who are probing the Sandalwood drug racket case, on Tuesday raided the swanky residence of absconding accused Aditya Alva, at Mariyannanapalya near Hebbal.

Alva, who is named as accused No. 6 in the FIR registered in Cottonpet police station, has been absconding ever since the FIR was registered. Alva is the son of former Karnataka minister Jeevaraj Alva and brother-in-law of Bollywood actor Vivek Oberoi.

As part of the ongoing probe into the drugs case, the CCB police obtained a search warrant and raided Alva's home, 'House of Life'. The luxury property was also used as a venue to hold big events and parties.

"The property is spread across four acres and was purchased by Alva's father. Investigations have revealed that it was a hub of parties where drugs were consumed. Two laptops, a computer and a digital video recorder were seized from the residence and the staff were questioned," an official said.

It is believed that the property manager Ramdas has been picked up by the CCB police for questioning.

Alva is said to have fled down south. "We have information that he is changing places and was in Mumbai and Delhi for a few days. We are trying to trace him and will nab him," the official added.

Meanwhile, a recent accident involving the car belonging to an actress is being linked to a party organsied by Aditya Alva. "The actress had attended the party at Alva's residence and was returning home when her car met with an accident. We are probing the links between the actress and Alva," a source said.

EXPRESS READ

BSF foils major infiltration bid in J&K

Jammu: The Border Security Force on Tuesday foiled a major infiltration bid by five heavily armed terrorists along the International Border in Jammu and Kashmir's Samba district. The terrorists fled back to the Pakistani side after being confronted by the border guard force.

'Re-purposed HCQ used for mild cases'

New Delhi: Re-purposed hydroxychloroquine is being used for mild but high-risk and moderate Covid-19 cases, Union Health Minister Harsh Vardhan said in the RS on Tuesday. The health ministry has issued 10.84 crore tablets of the drug to states and Union Territories as on September 11.